

## **SYNOPSIS**

The proposed amendment modifies the existing regulation to reflect the passage of HB 1372.

## **EXPLANATION OF CHANGES**

A new subsection 111-4-1-.07(2)(d)(1) has been added providing that the SHBP will provide a coverage exception from the eight-year or more employment requirement for continued coverage under the SHBP for a correctional officer injured by inmate violence while on duty if the correctional officer demonstrates that he or she was injured within a time period of five (5) years or less from becoming eligible for Medicare. The correctional officer must remit to the Plan the Premium amount established for Active Employees. Eligibility for coverage shall extend to the correctional officer's Spouse or eligible Dependents.

#### **111-4-1-.07 Extended Coverage Under State Law.**

(1) **Employee.** Employees are permitted to continue Coverage Tier and Option under conditions outlined by State Law. Application for Extended Coverage must be made to the Administrator within sixty (60) days following coverage termination as an active Employee or Extended Beneficiary. Coverage election under Section 111-4-1-.08, Extended Coverage Under Federal law, delays eligibility to enroll under State Law provisions until the expiration of the Extended Beneficiary coverage privileges, except as specifically stated.

(a) **State Employee.**

1. Any state Employee who resigns from employment or who is not re-elected on and after July 1, 1978 and who has completed eight (8) or more years of service as an Employee, exclusive of approved leaves of absence without pay for which health benefit coverage may have been continued, as an Employee under Section 111-4-1-.04(1)(a) shall have the privilege of continuing coverage.

2. Any state Employee who has been eligible for coverage under this Plan for a period of ten (10) years, is discharged and is appealing the discharge to the State Personnel Board shall be entitled to continue coverage for a period required for the State Personnel Board to render a decision but no longer than six (6) months. The premium for such coverage will be the same amount as paid by the active Employee through payroll deduction/reduction. The Employing Entity must notify the Subscriber and the Administrator of the Subscriber's eligibility to continue coverage. Failure to pay the premium within the allotted time shall forfeit eligibility for continued coverage.

(b) **General Assembly Member.** Any member of the General Assembly who ceases to hold office after July 1, 1981, and who was eligible to retire at the time of leaving office, except for the attainment of retirement age, pursuant to a public retirement system to which the General Assembly appropriates funds, and who does not withdraw Employee contributions from public retirement systems shall be eligible to continue coverage for the Subscriber and eligible dependents, subject to the conditions of these regulations. The premium shall be the same amount as an active Employee. Coverage shall cease if the Subscriber fails to pay the required premium billed by the Administrator within thirty (30) days following receipt of a premium notice or the Subscriber withdraws Employee contributions from the respective retirement system. Failure to pay the premium within the allotted time shall forfeit eligibility for continued coverage.

(c) **Teacher.** Any teacher as defined in Section 111-4-1-.04(1)(b) and any surviving spouse of a teacher who died prior to January 1, 1979 who has eight (8) or more years of creditable service in a teachers retirement system in Georgia and who is not presently eligible to receive retirement benefits shall have the privilege of continuing coverage.

(d) **Public School Employee.** Any public school Employee as defined in Section 111-4-1-.04(1)(c) and who has eight (8) or more years of creditable service in a retirement system in Georgia and who is not eligible to receive retirement benefits because of age shall have the privilege of continuing coverage. Prior to December 1, 1986, a public school Employee whose employment terminated after January 1, 1985, and prior to July 1, 1986, under these conditions shall have the privilege of re-enrolling for coverage by making application to the Administrator; provided that coverage shall not become effective earlier than the first of the month in which the application for coverage was received by the Administrator.

**1. Correctional Officers Injured in Service.** The SHBP shall provide a coverage exception from the eight-year or more employment requirement for continued coverage under the SHBP for a correctional officer injured by inmate violence while on duty if the correctional officer demonstrates that he or she was injured within a time period of five (5) years or less from becoming eligible for Medicare. The correctional officer must remit the Premium amount established for Active Employees. Eligibility for coverage shall extend to an eligible correctional officer's Spouse or Dependents.

(e) **Required Premiums.** Except as noted in subparagraphs (a)(2) and (b), premiums for continuing coverage under this provision shall be billed to the Subscriber monthly in an amount equal to the total cost for coverage, which is the Employee's share and the employer's cost for benefits and administration, plus processing and administrative fees where applicable. Failure to pay the premium within the allotted time shall forfeit eligibility for continued coverage.

(f) **Notice.** The Administrator shall include a notice of payment requirements and penalties on application forms for continued coverage.

(2) **Pending Retiree.** An active Employee who has made application for disability or service retirement and who may be eligible for retirement shall have the privilege of continuing any health benefit coverage during the period between termination of coverage as an active Employee and the effective date of coverage as a Retiree, subject to conditions as outlined in these regulations. Application to continue coverage must be filed with the Administrator within sixty (60) days following coverage termination as an active Employee.

(a) **Coverage as a pending Retiree** must be based on a reasonable expectation that the active Employee is eligible for retirement except for completion of the administrative processing to begin the annuity payments. The Administrator may define reasonable expectation; however, continuation of coverage under this provision shall not exceed six (6) months, unless a decision on the retirement application has not been rendered by the respective retirement system's administrative processes. Any months of coverage as a pending Retiree shall be inclusive of Extended Coverage under Federal law.

(b) **Denial of Annuity Payments.** At the point that a Board of trustees or retirement Administrator denies the immediate onset of annuity payments, the separated Employee shall no longer be eligible to continue coverage under this provision. Any coverage under this provision is inclusive of the maximum length of time allowed under the Extended Beneficiary provisions that are allowed under Federal law.

(c) **Reinstatement of Retiree Coverage.** Upon receipt of information that the respective retirement system has reversed an earlier denial to award retirement benefits to an Employee, coverage may be reinstated as a Retiree. Coverage reinstatement is allowed if the Retiree requests reinstatement within sixty (60) days following the reversal of the retirement system's decision. Reinstatement shall be effective as soon as administrative processes for deduction are completed, but no later than sixty (60) days following notification to the Administrator. The Retiree and dependents who were enrolled in the Plan will be reinstated without regard to the pre-existing condition limitations. The Administrator may review the circumstances and, if undue hardship will be imposed upon the Retiree, may allow retroactive coverage for up to six (6) months from the date of notification that the Retiree is eligible for reinstatement.

(d) **Required Premiums.** Premiums for continuing coverage under this provision shall be the same as the Employee deduction rate plus a processing fee and shall be paid monthly.

(3) **Retiree Retirement Benefit.** If the retirement benefit to be received by a Retiree of any one of the respective retirement systems is not sufficient to pay the premium amount by payroll deduction, the Retiree shall be permitted to continue coverage by paying a quarterly premium as set by the Board. The premium rate shall be the same as the Retiree deduction rate plus a processing fee.

Authority: O.C.G.A. §§ 45-18-1 *et. seq.*, 20-2-888, 20-2-915 and 20-2-915.1.

